

Program E: Commercial

Program Authorization: R.S. 3:76-77, 84, 216, 148, 202, 3652, 3655; R.S. 9:3401 et seq., 3865, 5164; R.S. 10:9 et seq., 501-508; R.S. 12:25, 32, 34-35, 104, 171, 202, 205; 236, 262-263, 304-305, 314.1, 316, 336, 469, 492, 1304-1310, 1339-1340, 1342, 1345-1353, 1345-1353, 1355, 1360, 1363-1364; R.S. 13:3422, 3471-3475, 3479-3481, 3485, 5107; R.S. 51:213 et seq., 288, 294-295, 299-300, 1164; R.S. 36:745, 746; R.S. 37: 3490-3493; R.S. 49:227, 229-229.1; R.S. 14:325; R.S. 22:437, 439, 448, 493, 1268; R.S. 30:112; R.S. 39:911-913, 1111, 1118; R.S. 45: 2008; and LSA C.C.P. Article 1261-1262

PROGRAM DESCRIPTION

The mission of the Commercial Program is to provide for the timely and efficient certification and processing of documents submitted for the purpose of securing and retaining business entities, other related business filings required by law to be filed with the Secretary of State, business licensing information to the business community of the state, and the legal services required by law to be processed by the Secretary of the State, and make readily available information concerning these business entities to the financial and legal community. Specifically, the Commercial Program provides the following services: (1) The registration of a state trademark, the registration of partnerships, the registration of an athlete agent, the review of certificate of authority applications of foreign corporations qualifying to do business in Louisiana; (2) Coordinate and manage the processing of Uniform Commercial Code (UCC) filings (and related liens) that are presented to any of the 64 parish clerks of court; (3) Provide services through the First Stop Shop where the business community and individuals seeking to establish or expand a business can obtain information on the various licenses required by state and local governments; (4) Provide direct computer access to corporate filings; (5) Act as agent for service of process on some foreign corporations and all foreign insurance companies and for out-of-state motorists involved in suits stemming from automobile accidents on Louisiana highways. The goal of this program is to maximize the efficiency of document processing and information services and ensure compliance with the laws governing the programs of the division at the lowest possible cost to the taxpayers. This program has one activity, Administrative.

OBJECTIVES AND PERFORMANCE INDICATORS

Unless otherwise indicated, all objectives are to be accomplished during or by the end of FY 2001-2002. Performance indicators are made up of two parts: name and value. The indicator name describes what is being measured. The indicator value is the numeric value or level achieved within a given measurement period. For budgeting purposes, performance indicator values are shown for the prior fiscal year, the current fiscal year, and alternative funding scenarios (continuation budget level and Executive Budget recommendation level) for the ensuing fiscal year (the fiscal year of the budget document).

1. (KEY) To maintain an efficient filing system by continuing a low document filer error rate of no more than 7% of documents.

Strategic Link: This operational objective relates to a strategic goal of maximizing efficiency of document processing and information services.

Explanatory Note: Documents submitted to the program for filing are returned to the submitter (filer) if there is an error in the document.

L E V E L	PERFORMANCE INDICATOR NAME	PERFORMANCE INDICATOR VALUES					
		YEAREND PERFORMANCE STANDARD FY 1999-2000	ACTUAL YEAREND PERFORMANCE FY 1999-2000	ACT 11 PERFORMANCE STANDARD FY 2000-2001	EXISTING PERFORMANCE STANDARD FY 2000-2001	AT CONTINUATION BUDGET LEVEL FY 2001-2002	AT RECOMMENDED BUDGET LEVEL FY 2001-2002
K	Percentage of documents returned	8%	8%	8%	8%	7%	7%
S	Number of documents returned	18,136	12,557	11,900	11,900	11,700	11,700

2. (KEY) To achieve a 99% accuracy rate in data entry in Uniform Commercial Code (UCC) and Farm Product filings.

Strategic Link: This operational objective is related to a strategic goal of maximizing the efficiency of document processing and information services.

L E V E L	PERFORMANCE INDICATOR NAME	PERFORMANCE INDICATOR VALUES					
		YEAREND PERFORMANCE STANDARD FY 1999-2000	ACTUAL YEAREND PERFORMANCE FY 1999-2000	ACT 11 PERFORMANCE STANDARD FY 2000-2001	EXISTING PERFORMANCE STANDARD FY 2000-2001	AT CONTINUATION BUDGET LEVEL FY 2001-2002	AT RECOMMENDED BUDGET LEVEL FY 2001-2002
K	Percentage accuracy in data entry of UCC and Farm Product filings	99.0%	99.6%	97.0%	97.0%	99.0%	99.0%
S	Number of filings	182,000	167,547	169,000	169,000	172,000	172,000

3. (KEY) To process 100% of all lawsuits served on the Secretary of State within 24 hours of receipt.

Strategic Link: This operational objective is related to a strategic goal of ensuring compliance with the laws governing the program at the lowest possible cost to taxpayers.

Explanatory Note: The program acts as agent for the service of process for foreign corporations and all foreign insurance companies, out-of-state motorists & marine vessel owners involved in accidents in Louisiana.

L E V E L	PERFORMANCE INDICATOR NAME	PERFORMANCE INDICATOR VALUES					
		YEAREND PERFORMANCE STANDARD FY 1999-2000	ACTUAL YEAREND PERFORMANCE FY 1999-2000	ACT 11 PERFORMANCE STANDARD FY 2000-2001	EXISTING PERFORMANCE STANDARD FY 2000-2001	AT CONTINUATION BUDGET LEVEL FY 2001-2002	AT RECOMMENDED BUDGET LEVEL FY 2001-2002
K	Percentage of lawsuits processed within 24 hours of receipt	100.00%	100%	100%	100%	100%	100%
S	Service of process filings (lawsuits filed)	38,000	36,114	36,500	36,500	37,000	37,000

RESOURCE ALLOCATION FOR THE PROGRAM

	ACTUAL 1999 - 2000	ACT 11 2000 - 2001	EXISTING 2000 - 2001	CONTINUATION 2001 - 2002	RECOMMENDED 2001 - 2002	RECOMMENDED OVER/(UNDER) EXISTING
MEANS OF FINANCING:						
STATE GENERAL FUND (Direct)	\$0	\$0	\$0	\$0	\$0	\$0
STATE GENERAL FUND BY:						
Interagency Transfers	0	0	0	0	0	0
Fees & Self-gen. Revenues	2,461,091	2,513,289	2,636,468	2,716,246	2,637,814	1,346
Statutory Dedications	0	0	0	0	0	0
Interim Emergency Board	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
TOTAL MEANS OF FINANCING	\$2,461,091	\$2,513,289	\$2,636,468	\$2,716,246	\$2,637,814	\$1,346
EXPENDITURES & REQUEST:						
Salaries	\$1,453,163	\$1,597,930	\$1,693,730	\$1,732,968	\$1,657,260	(\$36,470)
Other Compensation	65,536	16,500	16,500	16,500	26,780	10,280
Related Benefits	254,966	288,125	315,504	322,744	347,889	32,385
Total Operating Expenses	540,262	610,734	610,734	610,734	605,885	(4,849)
Professional Services	0	0	0	0	0	0
Total Other Charges	109,613	0	0	0	0	0
Total Acq. & Major Repairs	37,551	0	0	33,300	0	0
TOTAL EXPENDITURES AND REQUEST	\$2,461,091	\$2,513,289	\$2,636,468	\$2,716,246	\$2,637,814	\$1,346
AUTHORIZED FULL-TIME						
EQUIVALENTS: Classified	52	52	52	52	51	(1)
Unclassified	2	2	2	2	2	0
TOTAL	54	54	54	54	53	(1)

SOURCE OF FUNDING

This program is funded with Fees and Self-generated Revenues. The Fees and Self-generated Revenues are derived from the following: (1) a \$60 filing fee relative to domestic corporations; (2) a \$100 filing fee relative to foreign corporations; (3) a \$25 filing fee for annual reports relative to domestic and foreign corporations; and (4) charges for other services such as registering trademarks and partnerships, providing certificates of good standing, and providing copies and certified copies of any requested document.

ANALYSIS OF RECOMMENDATION

GENERAL FUND	TOTAL	T.O.	DESCRIPTION
\$0	\$2,513,289	54	ACT 11 FISCAL YEAR 2000-2001
			BA-7 TRANSACTIONS:
\$0	\$123,179	0	Funding required for Reallocations of Classified employees, Operating expenses, and equipment
\$0	\$2,636,468	54	EXISTING OPERATING BUDGET – December 15, 2000
\$0	\$23,419	0	Annualization of FY 2000-2001 Classified State Employees Merit Increase
\$0	\$31,135	0	Classified State Employees Merit Increases for FY 2001-2002
\$0	(\$27,971)	0	Salary Base Adjustment
\$0	(\$25,237)	(1)	Attrition Adjustment
\$0	\$2,637,814	53	TOTAL RECOMMENDED

The total means of financing for this program is recommended at 100.1% of the existing operating budget. It represents 88.3% of the total request (\$2,988,053) for this program. At the recommended level of funding, this Program should provide approximately the same level of services.

PROFESSIONAL SERVICES

This program does not have funding for Professional Services in Fiscal Year 2001-2002.

OTHER CHARGES

This program does not have funding for Other Charges in Fiscal Year 2001-2002.

ACQUISITIONS AND MAJOR REPAIRS

This program does not have funding for Acquisitions and Major Repairs for Fiscal Year 2001-2002.